

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF MINNESOTA**

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**CHAPTER 13 PLAN**

In re:

Charles M. Schrandt and  
Beverly M. Schrandt

Case No. 04-33308 GFK

Debtors

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**1. PAYMENTS BY DEBTOR-**

- a. As of the date of this plan, the debtor has paid the trustee \$ 972.00 .
- b. After the date of this plan, the debtor will pay the trustee \$2,873.00 per month for 14 months, beginning within 30 days after the filing of this plan for a total additional available to creditors of \$36,926.45. .
- c. The debtor will also pay the trustee \$4,102.94
- d. The debtor will pay the trustee a total of \$41,029.38 (line 1(a)+line 1(b)+line 1(c).

**2. PAYMENTS BY THE TRUSTEE-** The trustee will make payments only to creditors for which proofs of claim have been filed, make payments monthly as available, and collect the trustee's percentage fee of 10% for a total of \$4,088.54 (line 1(d) X.10) or such lesser percentage as may be fixed by the Attorney General. For purposes of this plan, month one (1) is the month following the month in which the debtor makes the debtor's first payment. Unless ordered otherwise, the trustee will not make any payments until the plan is confirmed. Payments will accumulate and be paid following confirmation.

**3. PRIORITY CLAIMS-** The trustee shall pay in full all claims entitled to priority under Sec. 507, including the following. The amounts listed are estimates only. The trustee will pay the amounts actually allowed.

Creditor	Estimated Claim	Monthly Payment	Beginning in Month #	Number of Payments	TOTAL PAYMENTS
a. Attorney Fees	\$ 791.00	\$ 791.00	1	1	\$ 791.00
b. Internal Rev. Service	\$ 23,672.71	\$1,820.98	2	14	\$ 23,672.71
c. MN Dept of Revenue	\$ 871.00	\$ 67.00	2	14	\$ 871.00
d.	\$	\$			\$
TOTAL					\$ 25,334.71

**4. LONG-TERM SECURED CLAIMS NOT IN DEFAULT-** The following creditors have secured claims and the debtor will continue to make all payments which come due after the date the petition was filed directly to the creditors. The creditors will retain their liens.

- a. Heartland Credit Union – Amount of Claim \$11,179.14
- b.

**5. HOME MORTGAGES IN DEFAULT(SEC. 1322(B)(5))-**The Trustee will cure defaults(plus interest at the rate of 8 per cent per annum) on claims secured only by a security interest in real property that is the debtor's principal residence as follows. The debtor will maintain the regular payments which come due after the date the petition was filed. The creditors will retain their liens. The amounts of default are estimates only. The trustee will pay the actual amounts of default.

Creditor	Amount of Default	Monthly Payment	Beginning in Month #	Number of Payments	TOTAL PAYMENTS
a. None	\$0	\$			\$ 0
TOTAL					\$ 0

6. **OTHER LONG-TERM SECURED CLAIMS IN DEFAULT(Sec. 1322(b)(5))**- The trustee will cure defaults (plus interest at the rate of 8% per annum) on other claims as follows and the debtor will maintain the regular payments which come due after the date the petition was filed. The creditors will retain their liens. The amounts of default are estimates only. The trustee will pay the actual amounts of default.

Creditor	Amount of Default	Monthly Payment	Beginning in Month #	Number of Payments	TOTAL PAYMENTS
a. None	\$ 0	\$			\$ 0
TOTAL					\$ 0

7. **OTHER SECURED CLAIMS (Sec1325(a)(5))**- The trustee will make payments to the following secured creditors having a value as of confirmation equal to the allowed amount of the creditor's secured claim using a discount rate of 8 percent. The creditor's allowed secured claim shall be the creditor's allowed claim or the value of the creditor's interest in the debtor's property, whichever is less. The creditors shall retain their liens. NOTE: NOTWITHSTANDING A CREDITOR'S PROOF OF CLAIM FILED BEFORE OR AFTER CONFIRMATION, THE AMOUNT LISTED IN THIS PARAGRAPH AS A CREDITOR'S SECURED CLAIM BINDS THE CREDITOR PURSUANT TO 11 U.S.C. SEC. 1327 AND CONFIRMATION OF THE PLAN WILL BE CONSIDERED A DETERMINATION OF THE CREDITOR'S ALLOWED SECURED CLAIM UNDER 11U.S.C.SEC. 506(A).

Creditor	Claim Amount	Secured Claim	Monthly Payment	Beginning in Month	Number of Payments	TOTAL PAYMENTS
a. None	\$	\$	\$			\$
b.	\$	\$	\$			\$
c.	\$	\$	\$			\$
d.	\$	\$	\$			\$
TOTAL						\$ 0

8. **SEPARATE CLASS OF UNSECURED CREDITORS** – In addition to the class of unsecured creditors specified in Para. 9, there shall be a separate class of nonpriority unsecured creditors described as follows:

Creditor	Claim Amount	Monthly Payment	Beginning in Month	Number of Payments	TOTAL PAYMENTS
a Retailers Bank	\$ 1,773.21	\$	2	14	\$ 1,773.24
b.Retailers Bank	\$ 2,791.42	\$	2	14	\$ 2,791.42
c. Sallie Mae	\$ 5,227.70	\$	2	14	\$ 5,227.70
d. Sears	\$ 1,290.00	\$	2	14	\$ 1,290.00
e. Tax Resolution	\$ 509.38	\$	2	14	\$ 509.38
TOTAL					\$ 11,591.74

9. **TIMELY FILED UNSECURED CREDITORS**- The trustee will pay holders of nonpriority unsecured claims for which proofs of claim were timely filed the balance of all payments received by the trustee and not paid under Para. 2,3,5,6,7 and 8 their pro rata share of approximately \$(line1(d) minus lines 3, 3(e), 5(d), 6(d) 7(d) and 8 (b))
- The debtor estimates that the total unsecured claims held by creditors listed in Para 7 are \$0
  - The debtor estimates that the debtor's total unsecured claims (excluding those in Para 7 and 8) are \$34,224.84
  - Total estimated unsecured claims are \$34,224.84 (line 9(a)+line 9(b)).

Debtor will not pay these unsecured claims as they are debts due the Internal Revenue Service for Income Taxes, penalties and interest on timely filed returns more than three years prior to the bankruptcy filing date. Debtor requests discharge of this amount, 11 U.S.C. 507(a)(8)(A)(i).

**10 TARDILY-FILED UNSECURED CREDITORS** – All money paid by the debtor to the trustee under Para. 1, but not distributed by the trustee under Para. 2,3,5,6,7,8 or 9 shall be paid to holders of nonpriority unsecured claims for which proofs of claim were tardily filed.

**11 OTHER PROVISIONS-  
Filing of Tax Returns**

- A. The debtor will file as and when due any and all post-petition federal tax returns of any kind; and will timely pay as and when due, any and all post petition federal tax liabilities of any kind. Should the debtor fail to file as and when due any and all post-petition federal tax returns of any kind; or fail to timely pay as and when due any and all post-petition federal tax liabilities of any kind, the Internal Revenue Service will be entitled to an ex parte order for dismissal of this case without notice or hearing upon the filing of an affidavit with the Court:
1. That attests to such default and also that the Internal Revenue Service mailed a letter by first class mail to the debtor and debtors counsel that gave notice of said default and a 15 day period to cure said default; and,
  2. that the debtor failed to cure said default within said 15 day period.

**Federal Tax Lien and Secured Claim of the IRS;**

- A. **Discharge of Lien-Sale of Attached Property.** Upon the sale of the property subject to the federal tax lien, the IRS shall issue a certificate of discharge of the lien with respect to such property, provided that the IRS is paid, after payment of the costs of the sale and claims of senior lienors, the net proceeds of such sale too the extent of the IRS secured claim.
- B. **Subordination of Lien-Refinancing of Attached Property;** Upon the refinancing of property subject to the federal tax lien, the IRS shall issue a certificate of subordination of the lien with respect to such property, provided that the IRS is paid, after payment of the costs of refinancing and the claims of senior lienors, the debtor's net equity in such property to extent of the IRS secured claim.

**12. SUMMARY OF PAYMENTS-**

Trustees Fee (Line 2)	\$ 4,088.54
Priority Claims (Line 3(e))	\$ 25,334.71
Home Mortgage Defaults (Line 5(d))	\$ 0
Long-Term Debt Defaults (Line 6 (d))	\$ 0
Other Secured Claims (Line 7 (d))	\$ 0
Separate Class (Line 8(b))	\$ 11,591.74
Unsecured Creditors (Line 9 ( c))	\$ 0
<b>TOTAL (must equal Line 1(d))</b>	<b>\$ 41,029.38</b>

Dated August 13, 2004

Signed \_/e/Charles M. Schrandt\_\_\_\_\_

DEBTOR(S)

Signed \_/e/Beverly M. Schrandt\_\_\_\_\_